



Arizona State Retirement System

Actuarial Report on the

Valuation of the LTD Program

As of June 30, 2010

January 18, 2011

Retirement Board
Arizona State Retirement System
3300 North Central Avenue
14th Floor
Phoenix, AZ 85012

Valuation of the ASRS Long Term Disability Program as of June 30, 2010

Dear Retirement Board Members:

We certify that the information contained in the attached 2010 actuarial valuation report is accurate and fairly presents the actuarial position of the Arizona State Retirement System Long Term Disability Program (the LTD Program) as of June 30, 2010.

We have made all calculations for this report in conformity with generally accepted actuarial principles and practices, and with the Actuarial Standards of Practice issued by the Actuarial Standards Board. In our opinion, the report's results comply with the requirements of the Arizona Constitution and statutes and, where applicable, the Internal Revenue Code, the Employee Retirement Income Security Act of 1974 (ERISA), and the Statements of the Governmental Accounting Standards Board. The undersigned actuaries are independent. They are both Enrolled Actuaries, members of the American Academy of Actuaries and Fellows of the Society of Actuaries. Both are experienced in performing valuations for large public retirement systems and are fully qualified to provide actuarial services to the State of Arizona.

Actuarial Valuations

The primary purpose of the valuation report is to determine the required member and employer contribution rates, to describe the current financial condition of the LTD Program, and to analyze changes in the LTD Program's condition. In addition, the report provides information that ASRS requires for its Comprehensive Annual Financial Report and it summarizes census data.

Valuations are performed annually as of June 30 which is the last day of both the LTD Program year and ASRS' fiscal year.

Funding Objectives

The actuarial valuation calculates the contribution rates payable by members and participating employers. These rates, when applied to payroll, yield contribution amounts sufficient to fund the normal cost plus the amortization of unfunded actuarial accrued liability over a rolling 15-year period. Contribution rates are set annually, based on the valuation of the preceding year. The rate calculated in this report (0.25% for each employer and employee) will apply in the fiscal year beginning July 1, 2011. The LTD program is meeting its funding objectives.

Experience Studies

Most of the assumptions of the LTD program are also assumptions of the ASRS defined benefit plan (the Plan). The actuary performs experience studies for ASRS every five years. The most recent experience analysis was completed in the first quarter of 2008 using experience from July 1, 2002 to June 30, 2007. Revised actuarial assumptions were approved and implemented for the June 30, 2008 valuation. Further revised actuarial assumptions were approved and implemented for the June 30, 2009 valuation.

Benefit Provisions

There have been no changes in benefit provisions since the last valuation.

The terms of the LTD Program are summarized on pages 13 to 15 of this report. There is no provision for LTD benefits to increase for cost-of-living adjustments.

Assumptions and Methods

As a result of the experience analysis conducted on actual plan experience from July 1, 2002 to June 30, 2007, revised pre- and post-retirement mortality assumptions were adopted for the June 30, 2008 valuation. Further revised actuarial assumptions were adopted by ASRS for the June 30, 2009 valuation. Rates of retirement, rates of disability and rates of withdrawal were updated to rates recommended as a result of the last experience analysis. These assumptions were first effective for the valuation as of June 30, 2009.

The actuary originates the assumptions, in consultation with the ASRS Director and other ASRS staff members, and recommends the assumptions to the Board which makes the ultimate decision on which assumptions and methods to use.

The Board elected to use the projected unit credit method. Under this method, actuarial gains (or losses) are subtracted from (or added to) the unfunded actuarial accrued liability.

Data

ASRS staff and Sedgwick (the administrator of the LTD program) supplied census data for participants as of June 30, 2010. We have not audited these data, but have examined them for reasonableness and consistency with the prior year's data. ASRS staff also supplied asset information.

Trend Data and Supporting Schedules

ASRS prepared all trend data schedules in the financial section of ASRS' Comprehensive Annual Financial Report (CAFR). ASRS also prepared all supporting schedules in the actuarial section of the CAFR.

We look forward to discussing this report with you at your convenience.

Sincerely,



Charles E. Chittenden, FSA, EA, MAAA
Principal and Consulting Actuary



Michelle Reding DeLange, FSA, EA, MAAA
Director, Retirement Actuary

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EXECUTIVE SUMMARY

The following table summarizes the key results of the June 30, 2010 actuarial valuation of the Arizona State Retirement System (ASRS) Long Term Disability (LTD) Program.

	<u>2009</u>	<u>2010</u>
Normal Cost	\$ 33,519,857	\$ 30,456,285
Actuarial Accrued Liability	\$ 476,275,688	\$ 477,265,773
Valuation Assets	\$ 311,231,629	\$ 319,308,050
Funded Status on Valuation Assets	65.35%	66.90%
Market Value of Assets	\$ 222,807,994	\$ 250,377,817
Funded Status on Market Value of Assets	46.78%	52.46%
Unfunded Actuarial Accrued Liability (UAAL)	\$ 165,044,059	\$ 157,957,723
Past Service Cost	\$ 17,853,806	\$ 17,087,235
Annual Required Contribution (ARC)	\$ 51,373,663	\$ 47,543,520
Payroll	\$ 9,834,810,345	\$ 9,419,951,810
ARC as % of payroll for each employer and each member	0.26%	0.25%
Rounded ARC as % of payroll for each employer and each member	0.25%	0.25%
UAAL as % of payroll	1.7%	1.7%
Normal Cost as % of payroll	0.34%	0.32%
Past Service Cost as % of Payroll	0.18%	0.18%

Reconciliation of the Contribution Rate

	<u>Rate</u>	<u>Change</u>
Unrounded Contribution Rate at June 30, 2009	0.26%	-
Expected Experience	0.26%	+0.00%
Contribution (Gain)/Loss	0.25%	-0.01%
2009/2010 Liability Experience	0.24%	-0.01%
2009/2010 Asset Experience	0.25%	+0.01%
Rounding to Nearest 0.05%	0.25%	+0.00%

Flow of Lives

LTD Retirees as of June 30, 2009	4,712
Recovered	(183)
Retired	(493)
Deceased	(101)
Total Decreases during the Year	(777)
LTD Retirees remaining as of June 30, 2010	3,935
Active members who became disabled during Fiscal 2010	789
LTD Retirees as of June 30, 2010	4,724

EXPERIENCE ANALYSIS

1. Change in Open Claims Reserves

The increase in the reserves for payments not yet due on disabled lives may be summarized as follows:

	<u>Lives</u>	<u>Reserves</u>
(a) Open Claims Reserve Liability on July 1, 2009	4,712	\$ 229,352,711
(b) Change in reserve on 3,935 continuing disabled lives	N/A	(27,645,931)
(c) Reserves released on terminated lives	(777)	(19,116,646)
(d) Reserves added on new lives	789	52,950,535
(e) Open Claims Reserve Liability on June 30, 2010 = (a) + (b) + (c) + (d)	4,724	\$ 235,540,669

2. Development of Liability (Gain)/Loss

(a) Actuarial Accrued Liability as of July 1, 2009	\$ 476,275,688
(b) Normal Cost for 2009/2010	33,519,857
(c) Expected Benefit Payments for 2009/2010	69,644,000
(d) Expected Actuarial Accrued Liability on June 30, 2010 = ((a) + (b)) x 1.08 – (c) x (1 + .08 x 13/24)	477,917,282
(e) Change in Plan Terms	N/A
(f) Change in Assumptions	N/A
(g) Liability (Gain)/Loss	(651,509)
(h) Actual Actuarial Accrued Liability on June 30, 2010 = (d) + (e) + (f) + (g)	\$ 477,265,773

3. Sources of Liability (Gain)/Loss

(a) Offset (Gain)/Loss	\$ (856,726)
(b) Liability for members who were terminated in last year's valuation	12,141,727
(c) More Terminations than Expected	(2,934,738)
(d) Fewer LTD Retirees than Expected	(7,450,925)
(e) Salary Gain on Continuing Actives	(9,416,664)
(f) New Active Entrants	4,421,143
(g) Other (Gain)/Loss	3,444,674
(h) Liability (Gain)/Loss = (a) + (b) + (c) + (d) + (e) + (f) + (g)	\$ (651,509)

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LTD Program Valuation – June 30, 2010

4. Development of Actuarial Value of Assets

(a)	Excess (Shortfall) of Investment Income:	
(i)	Current Year	\$ 10,543,678
(ii)	Current Year – 1	(68,696,736)
(iii)	Current Year – 2	(44,661,134)
(iv)	Current Year – 3	11,421,699
(v)	Current Year – 4	1,895,241
(b)	Deferral of Excess (Shortfall):	
(i)	Current Year (90% Deferral)	9,489,310
(ii)	Current Year – 1 (80% Deferral)	(54,957,389)
(iii)	Current Year – 2 (70% Deferral)	(31,262,794)
(iv)	Current Year – 3 (60% Deferral)	6,853,019
(v)	Current year – 4 (50% Deferral)	<u>947,621</u>
(vi)	Total Deferred for the Year	\$ (68,930,233)
(c)	Market Value of Assets as of June 30, 2010	250,377,817
(d)	Actuarial Value of Assets as of June 30, 2010 = (c) – (b)(vi)	\$ 319,308,050

5. Development of Asset (Gain)/Loss

(a)	Actuarial Value of Assets as of July 1, 2009	\$ 311,231,629
(b)	Contributions	71,877,192
(c)	Actual Benefit Payments for 2009/2010	69,710,335
(d)	Administrative Expenses	2,819,659
(e)	Expected Investment Income at 8% Return = ((a) x .08) + ((b) x .08 x 1/2) – ((c) x .08 x 13/24)	<u>24,752,837</u>
(f)	Expected Actuarial Assets as of June 30, 2010 = (a) + (b) - (c) - (d) + (e)	\$ 335,331,664
(g)	(Gain)/Loss on Actuarial Assets	<u>16,023,614</u>
(h)	Actuarial Assets as of June 30, 2010 = (f) - (g)	\$ 319,308,050

The asset loss occurred because investment earnings on actuarial assets were less than expected. The actual net return on actuarial assets was 2.82%, compared to the assumption of 8.00%. The actual net return on market value of assets was 12.77%, compared to the assumption of 8.00%.

6. Analysis of Sedgwick Offsets

As of June 30, 2010		
Description of Offset	Total Amount of	Number
from Sedgwick	Monthly Offsets	With Offsets
Social Security Disability	\$ 2,378,771	3,459
Social Security Retirement	143,371	169
Other	<u>446,539</u>	<u>918</u>
Total	\$ 2,968,681	4,546

As of June 30, 2009		
Description of Offset	Total Amount of	Number
from Sedgwick	Monthly Offsets	With Offsets
Social Security Disability	\$ 2,230,183	3,464
Social Security Retirement	135,014	165
Other	<u>462,421</u>	<u>990</u>
Total	\$ 2,827,618	4,619

SCHEDULE OF FUNDING PROGRESS

(Dollar Amounts in Thousands)

Valuation as of June 30	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (b – a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as % of Covered Payroll ((b – a) / c)
2004*	\$ 137,861	\$ 544,205	\$ 406,344	25.33%	\$ 7,458,590	5.4%
2005	\$ 164,834	\$ 577,405	\$ 412,572	28.55%	\$ 8,032,458	5.1%
2006	\$ 194,297	\$ 574,701	\$ 380,404	33.81%	\$ 8,311,870	4.6%
2007	\$ 231,685	\$ 604,486	\$ 372,800	38.33%	\$ 9,161,804	4.1%
2008	\$ 274,902	\$ 553,185	\$ 278,283	49.69%	\$ 9,708,353	2.9%
2009	\$ 311,232	\$ 476,276	\$ 165,044	65.35%	\$ 9,834,810	1.7%
2010	\$ 319,308	\$ 477,266	\$ 157,958	66.90%	\$ 9,419,952	1.7%

* The 2004 valuation results are from a study of the effects of adopting GASB #43. The formal 2004 valuation report did not use the GASB methodology.

SCHEDULE OF BENEFIT RECIPIENTS ADDED TO AND REMOVED FROM ROLLS

Valuation as of June 30	Added to Rolls		Removed from Rolls		Rolls – End of Year		Percent Increase in Annual Allowances	Average Annual Allowances
	Number	Annual* Allowances	Number	Annual** Allowances	Number	Annual* Allowances		
2002	N/A	N/A	N/A	N/A	4,290	\$ 55,341,168	N/A	\$ 12,900
2003	1,001	\$ 13,286,461	730	\$ 12,430,021	4,561	\$ 56,197,608	1.5%	\$ 12,321
2004	865	\$ 14,403,292	742	\$ 9,301,684	4,684	\$ 61,299,216	9.1%	\$ 13,087
2005	926	\$ 15,285,111	671	\$ 11,000,763	4,939	\$ 65,583,564	7.0%	\$ 13,279
2006	840	\$ 16,021,268	761	\$ 12,191,399	5,018	\$ 69,413,433	5.8%	\$ 13,833
2007	800	\$ 15,958,305	747	\$ 13,060,111	5,071	\$ 72,311,627	4.2%	\$ 14,260
2008	640	\$ 12,610,021	829	\$ 16,270,484	4,882	\$ 68,651,164	-5.1%	\$ 14,062
2009	723	\$ 15,966,067	893	\$ 13,502,776	4,712	\$ 71,114,455	3.6%	\$ 15,092
2010	789	\$ 17,200,407	777	\$ 15,066,829	4,724	\$ 73,248,033	3.0%	\$ 15,506

* Reflects actual, but not assumed, benefit offsets. Does not include overpayment of offsets.

** Includes changes in benefit amounts.

SOLVENCY TEST

(Dollar Amounts in Thousands)

Valuation as of June 30	Aggregate Accrued Liability for:			Net Assets Available for Benefits	Portion of Accrued Liabilities Covered by Net Assets Available for Benefits		
	Active Member Contributions (1)	Retirees and Beneficiaries (2)	Active Members (Employer- Financed Portion) (3)		(1)	(2)	(3)
2004 *	0	\$ 243,713	\$ 300,492	\$ 137,861	100%	57%	0%
2005	0	\$ 258,735	\$ 318,670	\$ 164,834	100%	64%	0%
2006	0	\$ 247,577	\$ 327,124	\$ 194,297	100%	78%	0%
2007	0	\$ 274,947	\$ 329,539	\$ 231,685	100%	84%	0%
2008	0	\$ 233,871	\$ 319,315	\$ 274,902	100%	100%	13%
2009	0	\$ 235,921	\$ 240,355	\$ 311,232	100%	100%	31%
2010	0	\$ 242,098	\$ 235,168	\$ 319,308	100%	100%	33%

* The 2004 valuation results are from a study of the effects of adopting GASB No. 43. The formal 2004 valuation report did not use the GASB methodology.

ANALYSIS OF FINANCIAL EXPERIENCE

(Dollar Amounts in Thousands)

Valuation as of June 30	Unfunded Actuarial Liability (UAAL) Prior Year	Normal Cost for the Year	Contributions for the Year	Interest at 8% on UAAL	Interest at 8% on Normal Cost	Interest at 8% on Contributions	Total Interest	Expected UAAL	Actual UAAL	Gain (Loss) for the Year*
2005	\$ 406,344	\$ 41,395	\$ (77,963)	\$ 32,508	\$ 3,312	\$ (3,119)	\$ 32,701	\$ 402,477	\$ 412,572	\$ (10,095)
2006	\$ 412,572	\$ 44,870	\$ (82,377)	\$ 33,006	\$ 3,590	\$ (3,295)	\$ 33,301	\$ 408,366	\$ 380,404	\$ 27,962
2007	\$ 380,404	\$ 45,907	\$ (89,037)	\$ 30,432	\$ 3,673	\$ (3,561)	\$ 30,544	\$ 367,818	\$ 372,800	\$ (4,982)
2008	\$ 372,800	\$ 47,774	\$ (94,342)	\$ 29,824	\$ 3,822	\$ (3,774)	\$ 29,872	\$ 356,104	\$ 278,283	\$ 77,821
2009	\$ 278,283	\$ 46,424	\$ (94,425)	\$ 22,263	\$ 3,714	\$ (3,777)	\$ 22,200	\$ 252,482	\$ 165,044	\$ 87,438
2010	\$ 165,044	\$ 33,520	\$ (71,877)	\$ 13,204	\$ 2,682	\$ (2,875)	\$ 13,011	\$ 139,698	\$ 157,958	\$ (18,260)

* Includes plan or assumption changes as well as the gain/(loss) due to the difference between the expected and actual benefit payments.

STATEMENT OF ACTUARIAL METHODS AND ASSUMPTIONS

We have prepared this report on our actuarial valuation of the assets and liabilities of the Arizona State Retirement System LTD Program as of June 30, 2010 in accordance with generally accepted actuarial principles and with the requirements of GASB #43.

The actuarial assumptions and methods on which our valuation has been based are, in our opinion, appropriate for the purpose of our current valuation. The ASRS Board has adopted the assumptions used in this valuation in its meeting on November 23, 2009.

We have not audited the data or the asset information used in this valuation but believe them to be complete and accurate.

SUMMARY OF ACTUARIAL METHODS

Cost Method

The actuarial cost method is the projected unit credit method.

Asset Valuation Method

Assets are valued at market less (or plus) an adjustment to reflect investment gains (or losses) over a 10-year period starting as of June 30, 2006.

Amortization Method

The unfunded actuarial accrued liability is amortized over a rolling 15-year period using a level dollar amortization method.

SUMMARY OF ACTUARIAL ASSUMPTIONS

The assumptions used in our valuation are as follows:

Discount Rate 8% per annum net of investment expenses

Rates of Termination of Claims in Payment due to Death or Recovery 1987 Commissioners' Group Long Term Disability Valuation Table (1987 CGDT) applicable to plans with a six-month elimination period.

Disability Incidence Rates for Active Members Age- and sex-based rates as developed for the Plan. Rates at representative ages are given below:

Age	Males	Females
20	0.04%	0.06%
30	0.05%	0.08%
40	0.16%	0.16%
50	0.38%	0.36%
60	0.90%	0.82%

Offsets for Disabled Members

We are assuming that the amounts that Sedgwick reports as offsets (other than overpayment offsets) will continue to apply to each member's benefit until that benefit expires. For members within first three years of receipt of LTD benefits, we have adjusted benefit amounts to reflect future offsets, assuming 90% of members will have offsets after 3 years.

We assume that these offsets reduce the gross benefits by 40%. We also assume that the weighted average months of overpayment is equal to 19 months.

These assumptions are reviewed annually.

Offsets for Active Members

We assume that LTD Program benefits, after all applicable offsets are 60% of the benefits before the offsets. This is the percentage that applies for currently disabled members and is based on the experience study as of June 30, 2007.

Administrative Expense Reserve for Active Members

2.8% of projected claim liabilities. This is the percentage that applies for currently disabled members.

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LTD Program Valuation – June 30, 2010**

Elimination Period

A 3% reduction in liabilities is applied to reflect the six-month elimination period for benefits.

Changes in Assumptions Since the Prior Valuation

No changes have been made since the last valuation on June 30, 2009.

All other assumptions are the same as those used in the valuation of the Plan.

SUMMARY OF PLAN TERMS

The Arizona State Retirement System (ASRS) Long Term Disability (LTD) Program began on July 1, 1995. The program covers ASRS LTD Program participants who become disabled on or after July 1, 1995. ASRS members who were receiving LTD benefits prior to July 1, 1995, were transferred to the program on October 1, 1995. Contributions began July 1, 1995, and are paid 50% by employers and 50% by active members.

Below we have summarized the main provisions of the LTD Program.

Effective Date	The plan was established effective July 1, 1995.
Participation	To be eligible, members must be actively at work and engaged to work at least 20 weeks in a fiscal year and at least 20 hours each week. Coverage is contingent on payment of premiums.
Contributions	<p>Members are required to contribute to the LTD Program in accordance with the schedule ratified each year by the Board. The FY12 rate is 0.25% of payroll.</p> <p>Employers have equal contributions and the Board allocates all contributions to the LTD Program's depository.</p>
Qualifications for Benefit	<p>Monthly benefits are not payable until a member has been totally disabled for a period of six consecutive months.</p> <p>Monthly benefits are not payable to a member whose disability is due to the following:</p> <ol style="list-style-type: none">1. an intentionally self-inflicted injury;2. war, whether declared or not;3. an injury incurred while engaged in a felonious criminal act or enterprise;4. for employees hired on or after July 1, 1988, any injury, sickness, or pregnancy for which you received medical treatment within three months prior to the effective date coverage began under the LTD Income Plan. Except for any employee who becomes an active contributing member on or after July 1, 2008 and receives medical treatment within six months prior to the date coverage begins under the LTD Income Plan. This exclusion does not apply to a disability commencing after a person has been an active contributing member of a participating employer for twelve continuous months. <p>Monthly benefits are not payable to a member who is receiving retirement benefits from ASRS.</p>

Totally Disabled

A member is considered totally disabled if:

1. during the first thirty months of a period of disability, the member is unable to perform all duties of the position held by the member when the member became totally disabled; and
2. for a member who has received monthly benefits for 24 or more total months, that a member is unable to perform any work for compensation or gain for which the member is reasonably qualified by education, training, or experience.

Benefit Amount

Benefits payable from the plan equal two-thirds of a member's monthly compensation at the time of disability. Benefits are offset by:

1. 85% of Social Security disability benefits that the member or the member's dependents are eligible to receive;
2. 85% of Social Security retirement benefits that the member is eligible to receive;
3. all of any worker's compensation benefits;
4. all of any payments for a veteran's disability if both of the following apply:
 - a) the veteran's disability payment is for the same condition or a condition related to the condition currently causing the member's total disability;
 - b) the veteran's disability is due to service in the armed forces of the United States;
5. all of any other benefits by reason of employment that are financed partly or wholly by an employer including payments for sick leave; and
6. 50% of any salary, wages, commissions, or similar pay that the member receives or is entitled to receive from any gainful employment in which the member engages.

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Benefit Period

Monthly benefits cease to be payable to a member at the earliest of the following:

1. the date the member ceases to be totally disabled;
2. the date the member ceases to be under the direct care of a doctor or refuses to undergo any medical examination requested by the company selected by the Board to administer the LTD Program;
3. the date the member withdraws employee contributions with interest from the Plan and ceases to be a member; and
4. the later of following:
 - a) the member's normal retirement date;
 - b) the month following 60 months of payments if disability occurs before age 65;
 - c) the month following attainment of age 70 if disability occurs at age 65 or after but before age 69;
 - d) the month following twelve-months of payments if disability occurs at or after age 69.

Expenses

Expenses associated with the operation of the LTD Program are payable by the LTD Program. The fee schedule is as follows:

Administrative:	\$13,000/month
New Claims Fee:	\$420/claim
Claims Management:	\$29/claim/month

**Changes in Plan Terms
Since the Prior Valuation**

No changes have been made since the last valuation on June 30, 2009.

DATA

The June 30, 2010 Actuarial Valuation of the ASRS LTD Program was based on the following data. For comparison, we also show a summary of the June 30, 2009 data.

Summary of LTD Open Claim Members

	<u>June 30, 2010</u>	<u>June 30, 2009</u>	<u>Percentage Increase During the Period</u>
Number	4,724	4,712	0.3%
Average age	54.3	54.3	0.0%
Average monthly benefit before Offset Assumption	\$ 1,292	\$ 1,258	2.7%
Total monthly benefit before Offset Assumption	\$ 6,104,000	\$ 5,926,000	3.0%
Average Offset Assumption	\$ 113	\$ 104	8.7%
Total Offset Assumption	\$ 533,000	\$ 487,000	9.4%
Average monthly benefit	\$ 1,179	\$ 1,154	2.2%
Total monthly benefit	\$ 5,571,000	\$ 5,439,000	2.4%

Summary of Active Members

The active member data used for the LTD program valuation is the same as the active member data used in the valuation of the Plan. There were 213,530 active members as of June 30, 2010 and their payroll was \$9,419,951,810. Refer to *Section 10 – Member Data* of the Arizona State Retirement System Actuarial Report on the Valuation of the Plan as of June 30, 2010 for more information on the active member data.

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Data from Sedgwick details the offsets applied to the LTD benefits, as summarized below:

<u>DESCRIPTION OF OFFSET FROM SEDGWICK</u>	<u>Total Amount of Monthly Offsets</u>	<u>Number of Offsets</u>
Third Party Administrator	\$ 1,017	4
Ending Payout	4,217	7
Estimated Social Security	25,992	36
Family Social Security	125,801	390
Overpayment	35	1
Overpayment - Social Security	8,386	17
Pension Disability Benefit	2,083	1
Post Tax Overpayment - Miscellaneous	6,559	17
Post Tax Overpayment - Social Security	103,408	198
Post Tax Overpayment - RTW Early	92	1
Post Tax Overpayment - Workers' Compensation	2,274	4
Post Tax Overpyament - Other VPA Claim	1,154	3
Retirement	1,371	2
Shared Survivor Benefits	1,208	1
Short Term Disability Benefits	3,706	1
Sick Pay Received	7,852	7
Social Security - Retirement	143,371	169
Social Security - Disability	2,378,771	3,459
State Disability Benefits	200	1
TTD Salary Continuation	354	1
Veterans Admin Disability	17,597	21
Voluntary Disability Plan	1,508	1
Wages - 2nd Employer	725	3
Wages - RTW Different Employer	7,364	21
Wages - RTW Same Employer	24,632	26
Workers' Compensation Temporary Disability	41,360	36
Workers' Compensation Lump Sum Award	74	2
Workers' Compensation Permanent Disability	<u>57,570</u>	<u>116</u>
Total	\$ 2,968,681	4,546

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SUMMARY OF PAYMENTS BY DURATION AND AGE

The following tables illustrate the net monthly payment by duration and age as of June 30, 2010.

Duration in Years

Age at Disability	0-1	1-2	2-3	3-4	4-5	5-6	6-7	7-8	8+	Total
<30	\$ 10,109	\$ 23,480	\$ 24,835	\$ 12,466	\$ 4,308	\$ 2,397	\$ 6,183	\$ 3,577	\$ 56,021	\$ 143,376
30-39	\$ 46,636	\$ 90,558	\$ 55,516	\$ 48,273	\$ 42,145	\$ 31,450	\$ 47,292	\$ 45,626	\$ 398,056	\$ 805,552
40-49	\$ 110,746	\$ 283,696	\$ 184,141	\$ 168,336	\$ 170,508	\$ 152,042	\$ 151,238	\$ 173,236	\$ 576,560	\$ 1,970,503
50-59	\$ 342,862	\$ 500,674	\$ 416,704	\$ 315,996	\$ 364,254	\$ 260,220	\$ 113,477	\$ 83,406	\$ 111,518	\$ 2,509,111
>59	\$ 97,553	\$ 173,195	\$ 150,566	\$ 107,178	\$ 87,577	\$ 59,392	\$ 0	\$ 0	\$ 0	\$ 675,461
Total	\$ 607,906	\$1,071,603	\$ 831,762	\$ 652,249	\$ 668,792	\$ 505,501	\$ 318,190	\$ 305,845	\$1,142,155	\$ 6,104,003